



[Billing Code 3290-F7]

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket Number USTR-2017-0008]

Request for Comments and Notice of Public Hearing Concerning an Out-of-Cycle Review of Rwanda, Tanzania, and Uganda Eligibility for Benefits Under the African Growth and Opportunity Act

AGENCY: Office of the United States Trade Representative.

ACTION: Notice of initiation of review, public hearing and request for comments.

SUMMARY: The Office of the United States Trade Representative (USTR), in consultation with the Trade Policy Staff Committee (TPSC), is announcing the initiation of an out-of-cycle review of the eligibility of the Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda to receive benefits under the African Growth and Opportunity Act (AGOA) in response to a petition. The AGOA Subcommittee of the TPSC (Subcommittee) will consider written comments, written testimony, and oral testimony in response to this notice to develop recommendations for the President as to whether the Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda are meeting the AGOA eligibility criteria.

DATES: June 30, 2017: Deadline for filing requests to appear at the July 13, 2017 public hearing, and for filing pre-hearing briefs, statements, or comments on the AGOA eligibility of the Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda.

July 13, 2017: The AGOA Implementation Subcommittee of the TPSC will convene a public hearing on the AGOA eligibility of the Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda.

July 21, 2017: Deadline for filing post-hearing briefs, statements, or comments on this matter.

ADDRESSES: USTR strongly prefers electronic submissions made through the Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments in section 3 below. The docket number is USTR-2017-0008. For alternatives to on-line submissions, please contact Yvonne Jamison, Trade Policy Staff Committee, at (202) 395-3475.

FOR FURTHER INFORMATION CONTACT: For procedural questions concerning written comments or participating in the public hearing, contact Yvonne Jamison at (202) 395-3475. Direct all other questions regarding this notice to Alan Treat, Director for African Affairs, at (202) 395-9514.

SUPPLEMENTARY INFORMATION.

1. Background

AGOA (Title I of the Trade and Development Act of 2000, Pub. L. 106-200) (19 U.S.C. 2466a, et seq.), as amended, authorizes the President to designate sub-Saharan African countries as beneficiaries eligible for duty-free treatment for certain additional products not included for duty-free treatment under the Generalized System of

Preferences (GSP) (Title V of the Trade Act of 1974 (19 U.S.C. 2461, et seq.) (1974 Act), as well as for the preferential treatment for certain textile and apparel articles.

The President may designate a country as a beneficiary sub-Saharan African country eligible for these AGOA benefits if he determines that the country meets the eligibility criteria set forth in section 104 of the AGOA (19 U.S.C. 3703) and section 502 of the 1974 Act (19 U.S.C. 2462).

Section 104 of AGOA includes requirements that the beneficiary country has established or is making continual progress toward establishing: a market-based economy; the rule of law, political pluralism, and the right to due process; the elimination of barriers to U.S. trade and investment; economic policies to reduce poverty; a system to combat corruption and bribery; and the protection of internationally recognized worker rights. In addition, the country may not engage in activities that undermine U.S. national security or foreign policy interests or engage in gross violations of internationally recognized human rights. Please see section 104 of the AGOA and section 502 of the 1974 Act for a complete list of the AGOA eligibility criteria.

Section 506 of the Trade Preferences Extension Act of 2015 (TPEA) requires the President to establish a petition process to allow any interested person, at any time, to file a petition with USTR concerning compliance of any sub-Saharan African country listed in section 107 of the AGOA (19 U.S.C. 3706), with the eligibility requirements set forth in section 104 of the AGOA and section 502 of the 1974 Act. On February 26, 2016, the President delegated this authority to the United States Trade Representative. USTR has established a petition process. See 15 CFR part 2017.

II. The Petition

On March 21, 2017, the Secondary Materials and Recycled Textiles Association (SMART) submitted a petition to USTR requesting an out-of-cycle review to determine whether the Republic of Kenya, Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda are meeting the AGOA eligibility criteria. The SMART petition asserts that a March 2016 decision by the East African Community (EAC), which includes the Republic of Kenya, Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda, to phase in a ban on imports of used clothing and footwear is imposing significant economic hardship on the U.S. used clothing industry, and is in violation of the AGOA statutory eligibility criteria to make continual progress toward establishing a market based economy and eliminating barriers to U.S. trade and investment.

In response to the SMART petition, USTR has determined, in consultation with the TPSC, that there are exceptional circumstances warranting an out-of-cycle review of the AGOA eligibility of the Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda. With respect to the Republic of Kenya, USTR has determined that an out-of-cycle review of Kenya's AGOA eligibility is not warranted at this time, due to recent actions Kenya has taken, including reversing tariff increases, effective July 1, 2017, and committing not to ban imports of used clothing through policy measures that are more trade-restrictive than necessary to protect human health. USTR will continue to monitor Kenya's actions to ensure that Kenya follows through on its commitments. The USTR has consulted with Congress about these determinations.

Section 506A of the 1974 Act requires the President to terminate the designation of a country as a beneficiary sub-Saharan African country if he determines that the beneficiary country is not making continual progress in meeting the eligibility requirements. As amended by the TPEA, the President may withdraw, suspend, or limit the application of duty-free treatment with respect to articles from the country if he determines that it would be more effective in promoting compliance with AGOA-eligibility requirements than terminating the designation of the country as a beneficiary sub-Saharan African country.

The Subcommittee is seeking public comments in connection with this out-of-cycle review of the AGOA eligibility of the Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda. The Subcommittee will consider the written comments, written testimony, and oral testimony in developing recommendations for the President as to whether the Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda are meeting the AGOA eligibility criteria.

III. Notice of Public Hearing.

In addition to written comments from the public on the matters listed above, the Subcommittee will convene a public hearing at 10:00 am on Friday, July 13, 2017, to receive testimony related to the AGOA eligibility of the Republic of Rwanda, United Republic of Tanzania, and Republic of Uganda. The hearing will be held at 1724 F Street NW, Washington DC 20508 and will be open to the public and to the press. We will make a transcript of the hearing available on www.regulations.gov within approximately two weeks of the date of the hearing.

We must receive your written requests to present oral testimony at the hearing and pre-hearing briefs, statements, or comments by noon on Friday, June 30, 2017. You must make the intent to testify notification in the “Type Comment” field under docket number **USTR-2017-0008** on the www.regulations.gov website and you should include the name, address, telephone number and email address, if available, of the person presenting the testimony. You should attach a summary of the testimony by using the “Upload File” field. The name of the file also should include who will be presenting the testimony. Remarks at the hearing should be limited to no more than five minutes to allow for possible questions from the Subcommittee.

You should submit all documents in accordance with the instructions in section IV below.

IV. Requirements for Submissions.

In order to be assured of consideration, persons submitting a notification of intent to testify and/or written comments must do so in English by noon on Friday, June 30, 2017. USTR strongly encourages commenters to make on-line submissions, using the www.regulations.gov website. To submit comments via www.regulations.gov, enter docket number **USTR-2017-0008** on the home page and click “search.” The site will provide a search-results page listing all documents associated with this docket. Find a reference to this notice and click on the link entitled “Comment Now!” For further information on using the www.regulations.gov website, please consult the resources provided on the website by clicking on “How to Use Regulations.gov” on the bottom of the home page. We will not accept hand-delivered submissions.

For any comments submitted electronically containing business confidential information, the file name of the business confidential version should begin with the characters “BC”. Any page containing business confidential information must be clearly marked “BUSINESS CONFIDENTIAL” on the top of that page. Filers of submissions containing business confidential information also must submit a public version of their comments that we will place in the docket for public inspection. The file name of the public version should begin with the character “P”. The “BC” and “P” should be followed by the name of the person or entity submitting the comments or reply comments. Filers submitting comments containing no business confidential information should name their file using the name of the person or entity submitting the comments.

Please do not attach separate cover letters to electronic submissions; rather, include any information that might appear in a cover letter in the comments themselves. Similarly, to the extent possible, please include any exhibits, annexes, or other attachments in the same file as the submission itself, not as separate files.

As noted, USTR strongly urges submitters to file comments through www.regulations.gov. You must make any alternative arrangements with Yvonne Jamison in advance of transmitting a comment. You can contact Ms. Jamison at (202) 395-3475. General information concerning USTR is available at www.ustr.gov.

We will post comments in the docket for public inspection, except business confidential information. You can view comments on the www.regulations.gov website by entering the relevant docket number in the search field on the home page.

Edward Gresser,

*Chair of the Trade Policy Staff Committee,
Office of the United States Trade Representative.*

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